



Impact Assessment for the
**Mediterrane
Film Festival**

Evaluation presenting
the economic, digital and
industry impact.

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February 2024

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Executive Summary

Overview of Economic Impact

This report presents an assessment of the economic direct, indirect and induced impacts that have been generated due to the activities held during the Mediterranean Film Festival.

Overview of Economic Impact

The core outcomes and results that have been derived following our work are summarised as follows:

Direct > Indirect > Induced Economic Impact

Direct measures the intermediate outputs/expenses/consumptions/profits by the sectors that receive the direct expenditure injection to organise the Festival (tourism expenditure and expenses for the organisation)

Indirect measures the additional impact because of multiplier effects on the suppliers that supply resources to the firms that are the initial beneficiaries of the expenditure injection

Induced measures of the broader economic benefit resulting from earned incomes across the economy of the direct and indirect beneficiaries.

Total Economic Impact of circa **€7 Million**

Employment and Value-Added Impact

Employment: Mediterrane Film Festival created or enhanced a total employment impact of 53 jobs at the Direct, Indirect, and Induced levels.

Value Added summarises the net impact on wealth creation across the economy

Total Value-Added Impact of **€2.5 Million**

It was observed that the Mediterrane Film Festival has been organised at a cost of circa €3.8 million, attracting around 374 international visitors and 929 local delegates. It was further estimated that the total bed nights by international visitors was around 1,799 bed nights in Malta, generating an additional income to the economy, amounting to €285,451.

This has resulted in aggregate output (Direct, Indirect, and Induced) amounting to around **€7 million**, contributing to a total of **€2.5 million** in Gross Value Added and 53 Full-Time Equivalent Jobs.

	Economic Output	Value Added	Employment Numbers
Direct Impact	3,970,164	1,409,332	19
Indirect Impact	1,756,379	718,513	19
Induced Impact	1,300,078	382,897	15
	7,026,621	2,510,742	53

The Indirect and induced Value Added and Employment are calculated based on the direct economic output according to the Central Bank of Malta guidelines.

Economic Impact Insights

As a result, the total Gross Value Added generated through the Mediterranean Film Festival is estimated to be in the region of **€1.4 million**. Such value added is increased to **€2.1 million** and **€2.5 million**, respectively when indirect and induced impacts are considered.

Around 19 full-time equivalent positions are estimated to have been created because of economic activity generated by the Mediterranean Film Festival, and the positions increase further to 53 when the Type II Employment multiplier is considered.

The Direct total output generated from the Mediterranean Film Festival derived by aggregating the results for both the organisational activities of the festival and the additional expenditure generated through tourism activity created by visitors participating in the festival was circa €4 million. However, **the total impact will result in €7 million when including the Indirect and Induced Impact.**

Media and Digital Impact Insights

In evaluating the Media and Digital Impact of the Mediterranean Film Festival on Malta, it is evident that the festival plays a pivotal role in amplifying the island's visibility and appeal on the global stage.

A Pagefield report published in November 2023 found that the film festival's media and social media coverage totalled an Advertising Value Equivalency (AVE) of **\$17,532,322**. A total of **1,150 pieces of media** coverage were analysed, accounting for a potential reach of **1.8 billion**.

Industrial Impact Insights

The Industry Impact of the Mediterranean Film Festival on Malta has been quantifiable and transformative.

Following the event, Malta's standing as a favourable business environment experienced a marked escalation, with its industry-specific rating climbing from a baseline of 5.77 to an impressive 8.54 from a survey completed with 60 stakeholders.

Such an uptick can be attributed to high evaluations from key industry stakeholders—studio executives, producers, and location managers—giving Malta an average rating of 8.81 out of 10 for business-friendliness.

Regarding attendee sentiment, the festival achieved an average Net Promoter Score (NPS) of 77%. This robust figure is complemented by a likelihood rating of 9.15, representing the inclination of attendees to recommend the festival, thereby corroborating its high standing within the industry.

On the economic front, the festival generated an estimated **€10.23 million** in potential business opportunities for the Maltese economy.

This economic footprint indicates the festival's ripple effect across multiple industry sectors. The event also exerts a prospective influence on future film ventures.

Studio executives, instrumental in deciding where to film their following projects, bestowed an average rating of 9 to Malta.

Location managers responsible for selecting filming destinations gave Malta a commendable rating of 8, indicating strong consideration for the island. Producers also recognised Malta's potential, with the lowest rating of 7.67 and the highest being a 9, expressing interest in organising world premieres for their upcoming projects at the Mediterranean Film Festival. These high ratings from industry insiders showcase the festival's pivotal role in cementing Malta's status as a preferred destination for film production and related activities.

Finally, the unanimous endorsement from Studio Executives, who assigned **a perfect score of 10 out of 10** when recommending the festival, provides unequivocal evidence of the festival's critical acclaim and support within the film industry. The Mediterranean Film Festival is an industry linchpin, enhancing Malta's reputation and facilitating substantial economic and networking benefits.



High evaluations from industry insiders affirm the festival's credibility and contribute to Malta's strengthening stature as a premier location for film production.

1.0

Methodology

Assessment on the
economic impact
of Malta and the
Mediterrane Film
Festival



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TO THE
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FILM
FESTIVAL**

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Methodology

The Engagement

The client engaged us to find out the impact of the Mediterranean Film Festival. Our approach for the engagement has been to measure the economic and industry impact.

Context

The Mediterranean Film Festival, scheduled from June 25 to June 30, 2023, is aimed to become an annual event. The festival aimed to unite the **MED9 countries**, including Croatia, Cyprus, France, Greece, Italy, Malta, Portugal, Slovenia, and Spain, with the goal of fostering collaboration, opportunities, and a shared love for film. It was a platform for filmmakers, industry professionals, and enthusiasts to connect, exchange ideas, and create partnerships for future projects.

Engagement Conduct

The process we adopted during this engagement will include the following:

- Completing **desk-based and primary research** with the organisers and stakeholders to identify the expected costs, turn-out and revenue-generating potential;
- Gather **qualitative and quantitative data** from the stakeholders during and after the festival.
- The extrapolation of the **feedback reviewed into economic figures** that give a clearer visibility of the cost and revenue and the impact on Malta's economy for the duration of the event;
- Reporting of third party assessments on the **marketing outreach**.

By bringing together talent from the Mediterranean, the United Kingdom, and Hollywood, the festival aimed to strengthen Malta's position in the global film market.





2.0

Economic Assessment

Assessment on the
economic impact
of Malta and the
Mediterrane Film
Festival.



2.1

Introduction of the Economic Assessment

Project Scope and Limitations

Despite the potential benefits, it must be recognised that the actual realisation of investments in the film industry due to these events is subject to considerable timing differences. In this context, we believe that the measurement of economic benefits generated in the film industry directly and/or indirectly because of this event is premature at this stage and has not been considered as part of the analysis.

For such purpose, only the immediate benefits gained by the Maltese Economy (mainly as a result of economic activities supporting the festival) have been considered. This is deemed to be a major limitation of this study since such immediate benefits are expected to be only a fraction of the longer-term benefits generated through potential investments in the film industry.

Analysis Objectives

The key objectives that have been achieved following the completion of this analysis include the following:

- Developed quantitative measures and indicative results for the short-term direct, indirect and induced impacts of the festival;
- Developed quantitative measures and indicative results of the festival's impact on economic value added, employment and income;
- Presented a qualitative overview of the potential long-term economic benefits for the country that could be generated as a result of the festival.

Our Approach

The approach to evaluating the economic impact of the Mediterranean Film Festival was based on its contribution to Gross Domestic Product (GDP) for the period during which the festival was held. Gross Domestic Product is deemed to be a generally accepted measure of economic prosperity even though it has some limitations as it does not consider aspects such as noise pollution, national branding and public space encroachment amongst others.

In measuring the contribution to Gross Domestic Product generated over the period during which the festival was held, three key elements have been considered. These include:

- **Direct incremental investment** and expenditure incurred for the purpose of organising and hosting the events and activities forming part of the Mediterranean Film Festival; and
- **Additional tourism activity** generated directly because of the event over the same period. For the purpose of the analysis tourists who would have visited Malta during that period irrespective of the event have not been considered.
- **Additional expenditure incurred by locals** participating in the events which would not have displaced other types of expenditure.

For each of these components, we have sought to decompose the results to derive:

- The **direct output** consisting of the intermediate and final consumption for the segment and how this is distributed across the various sectors of the economy;
- The **indirect output** consisting of the Simple Multiplier (Type 1) arising from the direct output computed through the Leontief Inverse Tables;
- The **induced impacts** consisting of the wider economic benefits computed through the Total Output Multiplier (Type 2) based on a closed Leontief Inverse Table adjusted for compensation of employees and household expenditure.
- The **Value-Added Contribution** by sector expressed in the form of the aggregate of the Gross Operating Surplus and Employee compensation for each sector.
- The **overall income** generated through the sector; and
- The **impact generated** on employment as a result of these activities.

Festival Expenditure

Festival Expenditure has been reallocated to reflect industry NACE Codes. This is required to apply the Symmetrical Input Output Tables.

Participants at the Mediterranean Film Festival have been segmented into three categories:

- Local Suppliers and Service Providers.
- International Speakers and Performers.
- International and Local Participating Delegates.

MFC informed us that a total of 249 international speakers, performances, and crew members were brought to Malta.

It was assumed that each international speaker and performer travelled alone (with no family members, friends, and/or partners) and **stayed for an average of 4.8 nights**.

Travel and accommodation expenditure incurred in Malta by international speakers and performers during their stay has been fully reimbursed and forms part of the Festival Expenditure Budget. On the other hand, a total of 22 judges were provided with a subsistence allowance.

Determining Tourism Expenditure

Tourism Expenditure was based on the latest Tourism Expenditure Survey carried out by the MTA (2019). This Expenditure for the year 2019 was increased by Inflation (NSO Data) to reflect current prices. Tourism Expenditure was reallocated based on NACE codes to be able to decompose this using the Symmetrical Input Output Tables

It was assumed that Unique Visitors stayed in Malta for a total of 4.8 nights.

This assumption has been derived on the basis of the total bed nights sponsored by the Malta Film Commission divided by the total number of sponsored guests. The same assumption has been used in the case of other international visitors which have not been sponsored by the Malta Film Commission. This is considered to be less than average number of bed nights per tourists as reported by the Tourism Expenditure Survey carried out by the Malta Tourism Authority (which amounted to around 6 nights during the year 2019).

Total bed nights amounted to 1,799 over the period. The total tourism expenditure tied to the event amounted to €285,451.

To avoid double counting, an amount of €106,062 has been deducted representing expenses incurred directly by the Malta Film Commission to finance flights, accommodation and subsistence. These have been included under the Mediterranean Film Festival Expenditure. When this is considered, **the net tourism expenditure generated directly from the event amounted to €179,389.**

It must be noted that there are considerable discrepancies between the amounts deducted from the Tourism Expenditure Generated and the amounts included in the Mediterranean Film Festival Budget. This is because whereas the amounts deducted from the Tourism Expenditure Generated have been based on benchmark data available from the MTA Tourism Expenditure Survey, the amounts included in the Mediterranean Film Festival Budget are based on actual figures. This may seem to suggest that in practice the real economic contribution generated from Tourism Activity may be understated in this study.

**The net tourism
expenditure generated
directly from the event
amounted to €179,389.**



Step 1

Defining the Measures

Economic Impact

Economic impact is defined as “the net changes in new economic activity associated with an industry, event, or policy in an existing regional economy” (Watson 2007). In any industry, economic impact is measured using three key metrics:

Gross Output (or total demand)

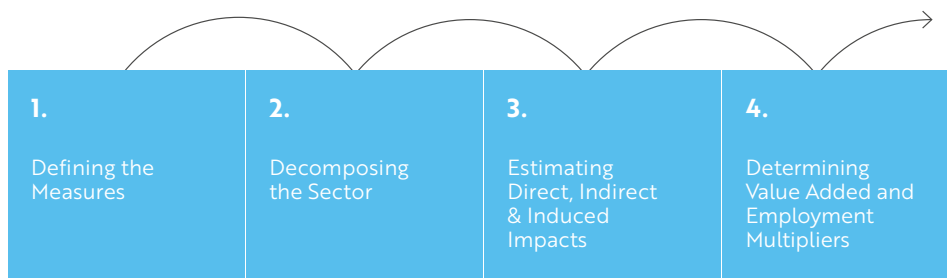
This is equivalent to the increment demand for goods and services produced in Malta (expressed in Euro) because of the activities and events held as part of the Mediterranean Film Festival. Total demand is derived by aggregating intermediate and final demand.

Gross Value Added

This is equivalent to the value of goods and services produced in Malta (Expressed in Euro) because of the activities and events held as part of the Mediterranean film festival. Gross Value Added is derived by aggregating the Compensation of Employees to the Gross Operating Surplus after adjusting for taxes and subsidies.

Employment

This is equivalent to the increment number of full-time equivalent jobs that have been created directly and/or indirectly as a result of the activities and events held as part of the Mediterranean Film Festival.



Step 2 Decomposing the Sector

Separate Economic Components

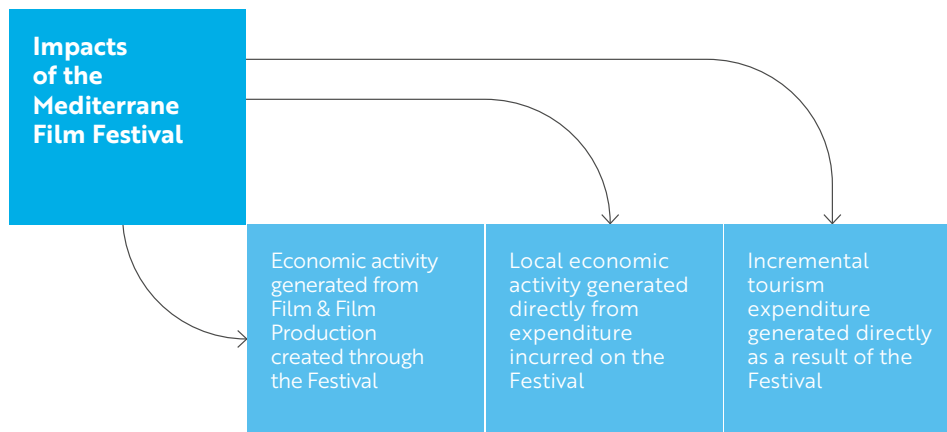
Once the core metrics have been identified, the next step in the process is to decompose the sector into its separate economic components:

Economic Activity from Film Production

The aim of the Mediterranean Film Festival was to attract film and film productions to be carried out in Malta which would in turn lead to higher revenue streams accruing to Maltese companies involved in the sector as well as for more jobs and better wages for their employees.

This notwithstanding, such benefits are not instantaneous and are likely to materialise after a considerable period of time after which the festival would have been held. Given that at the time of writing of this report, the Mediterranean Film Festival has been held only recently, the measurement of economic activity generated for film and film production is deemed to be premature at this stage.

For such purpose, this important element of the economic contribution to the country has been excluded from the analysis as there is no means through which the potential benefits could be realistically qualified.



Economic Activity generated from Expenditure on the Festival

There has been a total expenditure of around €3.8 million (excluding Value Added Tax) to market, produce, organise and execute the events taking place during the period between the 25th June 2023 and the 30th June 2023. Such expenditure has given rise to economic activity across various industry sectors.

The economic impact of expenditure incurred to organise the festival is immediate and can therefore be quantified as part of this study.

Economic Activity from Incremental Tourism Expenditure created because of the Festival

As an international event held on behalf of the nine Mediterranean countries, the Festival would have led to an increase in the number of incoming visitors to the island solely to participate in the festival. Such visitors include both crew and staff members involved in the organisation of the events forming part of the festival as well as third-party visitors attending the events in person.

The economic impact of incremental expenditure generated from additional tourism activity is also immediate and can therefore be quantified as part of this study.

The Mediterranean Film Festival would have led to an increase in the number of incoming visitors to the island solely to participate in the festival.



Step 3

Estimating the Impacts

Types of Impacts

Given that any realistic measurement of the actual potential number (if any) of film and film production activities that could have been generated due to the Mediterranean Film Festival is premature, the assessment has been limited solely to the combined impact of the expenditure incurred on the Mediterranean Film Festival and the incremental tourism expenditure generated because of the festival. The estimated impacts have been based on the Symmetric Input-Output Tables (SIOT) that have been published by the National Statistics Office for the year 2010 on the following:

Economic Activity Direct Impact

The Technical Coefficients have been used to estimate the direct impact of the final expenditure incurred at the Mediterranean Film Festival and the incremental tourism expenditure incurred by visitors coming to Malta solely to participate in the festival. This required us to reclassify expenditure from both areas to correspond to the relevant NACE codes forming part of the Maltese Economy. The relevant technical coefficient was applied to each NACE Category to derive the following:

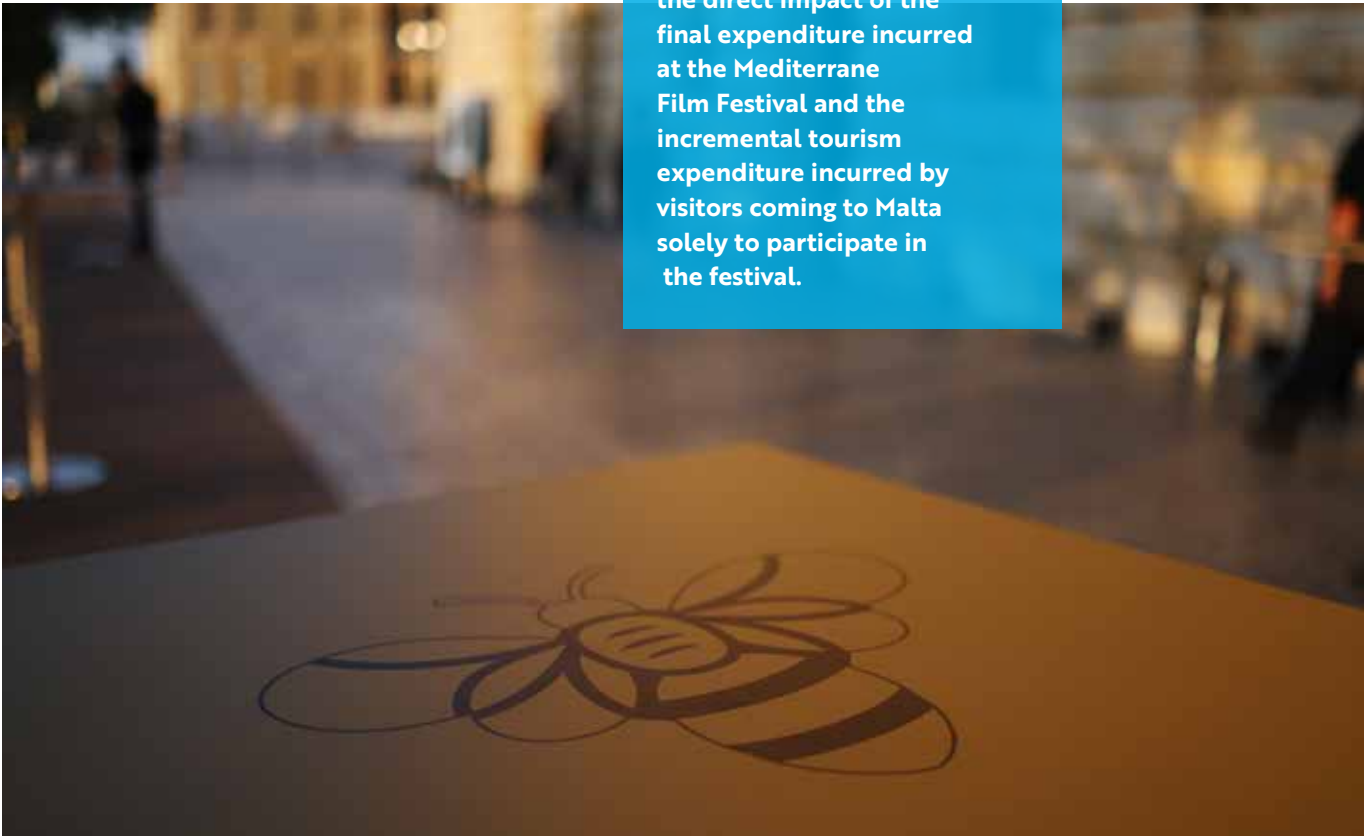
- **Intermediate Demand by Industry:** This consists of the actual output generated by each industry in the Maltese Economy that has supplied the activities carried out as part of the organisation and hosting of the festival as well as supporting foreign visitors participating in the event.
- **Compensation of Employees:** This consists of additional wages and salaries that have been created due to the Mediterranean Film Festival and associated expenditures incurred by visitors traveling to Malta to participate in the event.
- **Net Taxes on Production:** This consists of the net fiscal flows that are estimated to have accrued to the government due to the Mediterranean Film Festival and its participants.
- **Consumption of Fixed Capital:** This is equivalent to the decline in the value of capital assets that arise due to wear and tear created from their use in the production, hosting, and organisation of the Mediterranean Film Festival.
- **Net Operating Surplus:** This is equivalent to the expected profit generated collectively across the several sectors of the Malta Economy due to the hosting, organisation, production and execution of the Mediterranean Film Festival.

Indirect Impacts (Type 1)

The Leontief Inverse Curve has been used to estimate the indirect impacts on the Gross Output and Value Added that has been generated due to the Mediterranean Film Festival. The Leontief Inverse Table published by the National Statistics Office for the year 2010 has been applied to the results for intermediate and final demand derived through the use of the technical coefficients.

Indirect Impacts (Type 2)

The induced impacts generated by the Mediterranean Film Festival have been derived by modifying the closed Leontief Inverse Curve Table and adjusting it to include employee compensation and household income as an industry. Open Leontief Inverse Curve Tables have been extracted from the results published by the Central Bank of Malta.



The Technical Coefficients have been used to estimate the direct impact of the final expenditure incurred at the Mediterranean Film Festival and the incremental tourism expenditure incurred by visitors coming to Malta solely to participate in the festival.

Step 4

Assess Value-Added & Employment Multipliers

Type 1 and Type 2 multipliers measure the wider economic impact of the Mediterrane Film Festival from a total demand perspective.

The final part of the process was to estimate the Value Added and Employment Multipliers created through the festival as a whole.

Both Value-Added Multipliers and Employment Multipliers have been based on the results of a publication issued by the Central Bank of Malta in 2015 entitled "Estimates of Output, income, value added and employment multipliers for the Maltese Economy."

Value Added Multipliers

measure the impact on the total Value Added generated (In Euro) across the whole Maltese Economy due to the total Value Added generated directly through the Mediterrane Film Festival.

Employment Multipliers

measure the impact on the total employment (expressed in full-time equivalent terms) created across the whole Maltese Economy due to the increase in employment generated specifically by the Mediterrane Film Festival.

2.2

Economic Impact Mediterrane Film Festival

Potential Economic Direct, Indirect and Induced Impacts

This report has sought to carry out an assessment of the potential economic direct, indirect and induced impacts that could have been generated as a result of the activities held during the Mediterrane Film Festival.

The overall outcomes and results that may be derived following our work are summarised in the consolidated table presented with each impact being explained separately:

- Output: Both Direct, Indirect and Induced economic impact
- Value-Added impact – meaning the wealth created in the economy
- Employment impact – meaning new and/or additional jobs created

Direct

	Nace Code	Category	Output Euro	Value Added Euro	Employment No.
Advertising & Marketing Research	73	M	376,402	186,696	5
Creative Arts & Entertainment Activities	90	R	2,461,504	753,220	5
Insurance, Reinsurance & Pension Funding	64	K	13,457	1,211	-
Information & Communication Technology	61	J	26	11	-
Real Estate Activities	68	L	139,615	105,130	-
Retail Trade	47	G	10,473	6,179	-
Road Transport	49	H	110,624	39,050	2
Water Transport	50	H	19,450	6,866	-
Air Transport	51	H	371,796	131,244	-
Accommodation	55	I	326,467	125,690	5
Food & Beverage Service Activities	56	I	140,351	54,035	2
Total			3,970,164	1,409,332	19

Indirect

	Nace Code	Category	Output Euro	Value Added Euro	Employment No.
Advertising & Marketing Research	73	M	195,729	35,382	1
Creative Arts & Entertainment Activities	90	R	836,911	452,917	7
Insurance, Reinsurance & Pension Funding	64	K	17,090	3,364	-
Information & Communication Technology	61	J	16	6	-
Real Estate Activities	68	L	39,092	20,523	1
Retail Trade	47	G	5,341	2,304	-
Road Transport	49	H	58,631	37,280	1
Water Transport	50	H	15,755	3,248	-
Air Transport	51	H	293,718	39,782	5
Accommodation	55	I	205,674	86,514	3
Food & Beverage Service Activities	56	I	88,421	37,193	1
Total			1,756,379	718,513	19

Induced

	Nace Code	Category	Output Euro	Value Added Euro	Employment No.
Advertising & Marketing Research	73	M	203,257	90,337	3
Creative Arts & Entertainment Activities	90	R	492,301	22,154	5
Insurance, Reinsurance & Pension Funding	64	K	9,285	4,172	-
Information & Communication Technology	61	J	13	6	-
Real Estate Activities	68	L	16,754	6,981	-
Retail Trade	47	G	7,226	3,247	-
Road Transport	49	H	46,462	21,019	1
Water Transport	50	H	8,558	3,890	-
Air Transport	51	H	226,795	100,385	3
Accommodation	55	I	202,409	91,411	2
Food & Beverage Service Activities	56	I	87,018	39,298	1
Total			1,300,078	382,897	15

This report has sought to carry out an assessment of the potential economic direct, indirect and induced impacts that could have been generated as a result of the activities held during the Mediterranean Film Festival.

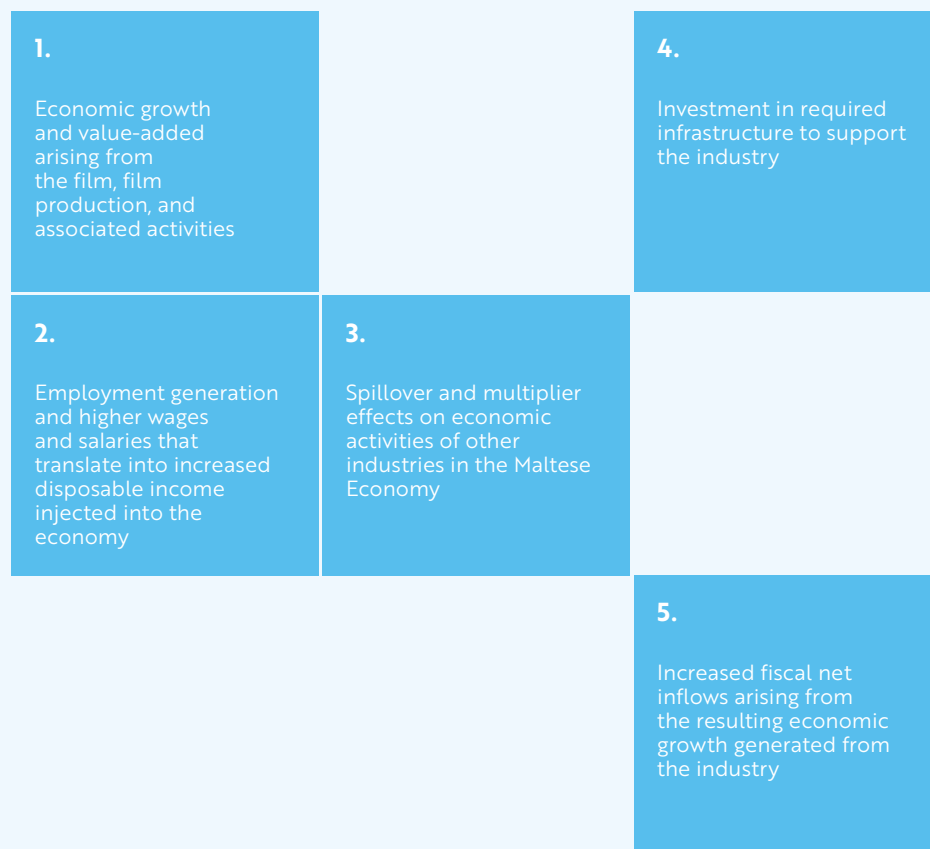


Festival Vision and Objectives

The Mediterrane Film Festival was a specialised event that is dedicated exclusively to the film and creative industry bringing together participants across various Mediterranean countries. The overriding objective of the Mediterrane Film Festival was:

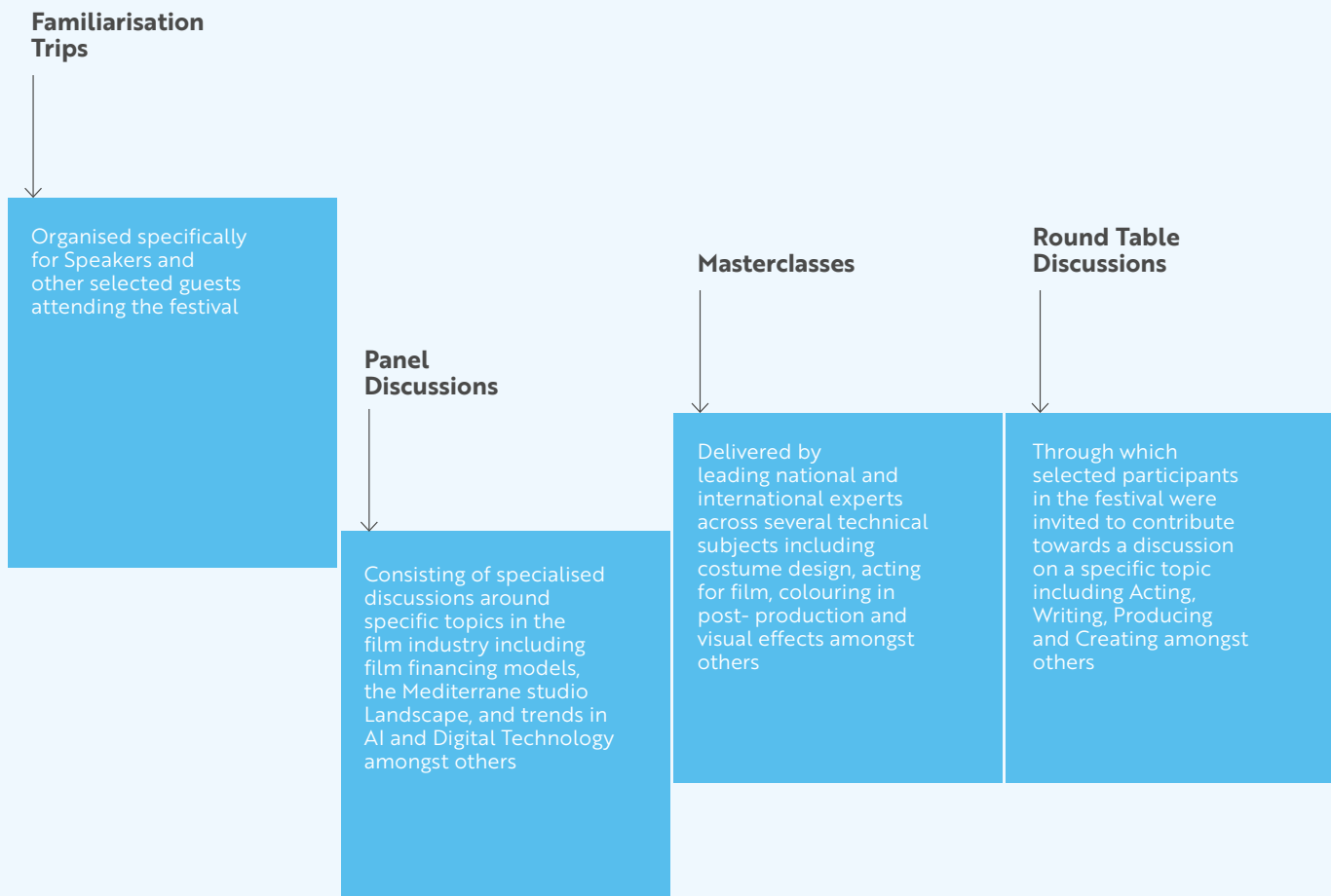
To strengthen Malta's position in the global film market while promoting cultural exchange and cooperation among the Mediterrane nations.

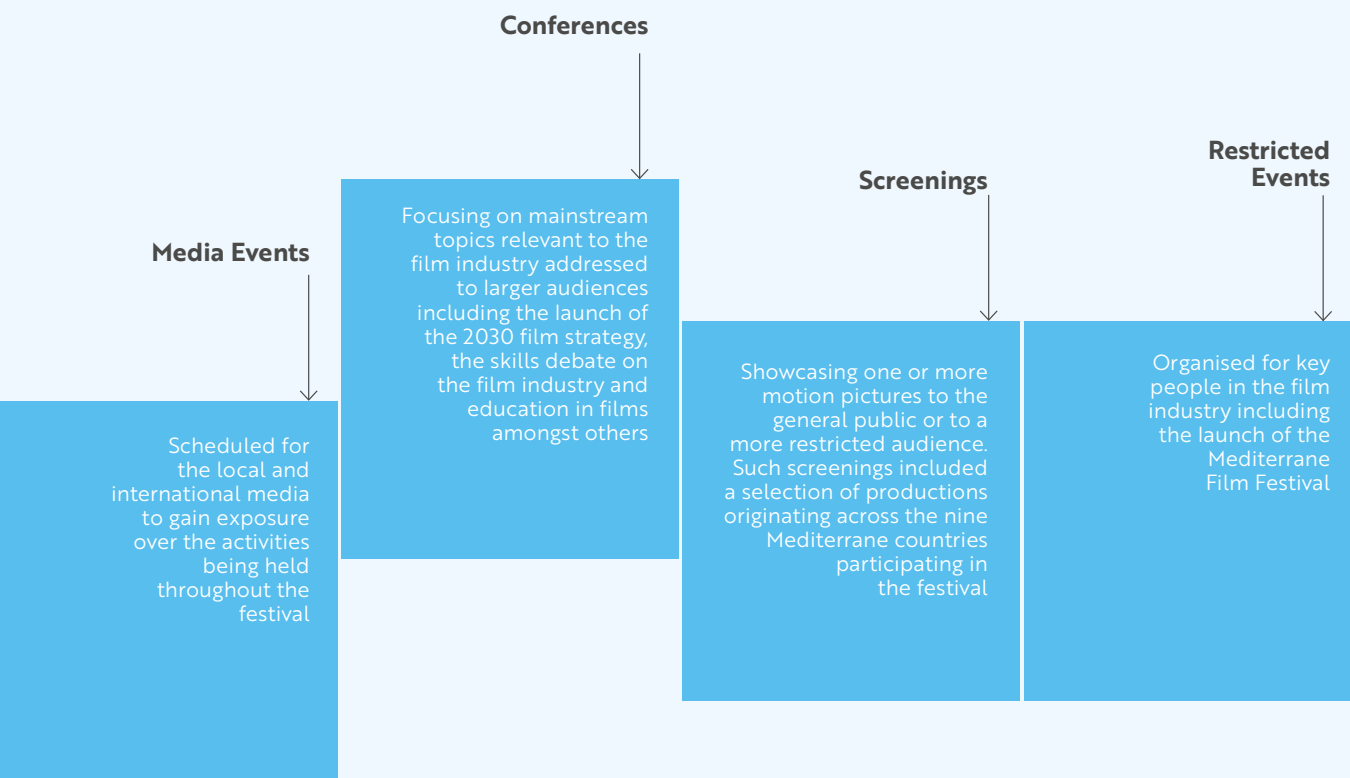
In the longer term, this means that the Mediterrane Film Festival is an integral vehicle through which investment in film and film production could be enhanced because of the international exposure created. Such investment would in turn generate considerable benefits to the Maltese Economy in the form of:



Festival Activities

For the year 2023, the Mediterrane Film Festival was held between the 25th June and the 30th June. The key activities that have been organised as part of the festival may be segmented as follows:





Type of Events

The total number of events by type of category over the period is analysed below:

Type of Event	Number of Events
Children's Book Reading Event	1
Conference	3
Masterclass	15
Panel Discussion	10
Roundtable	8
Screening	44
Grand Total	81

As depicted in the table above, it is evident that a total of 81 events were conducted over the entire duration of the festival. Among these, 44 comprised film screenings, constituting 54% of all activities. Additionally, there were 15 master classes and 10 panel discussions, collectively representing 18% and 12% of all activities, respectively.

Registration

Data was provided by the MFC associated with the number of participant registrations per event. Within this context, the total number of registrations by type of event is outlined below:

Type of Event	Number of Events	Registered Attendees	Average Registrations per event
Children's Book Reading Event	1	1,513	1,513
Conference	3	206	69
Masterclass	15	1,814	121
Panel Discussion	10	1,065	107
Roundtable	8	182	23
Screening	44	2,847	65
Grand Total	81	7,627	94

As shown above, **the total number of event registrations amounted to 7,627**. It may be observed that Film Screenings by far got the **largest share of registrations totalling around 2,847 (equivalent to 37% of total registrations)**. On average a total of around 65 participants registered for each screening event. **The Children's book reading event recorded the highest number of registrations amounting to around 1,513 participants**. This consisted of the David Walliams Live Book Show which was held on the 29th June 2023. This event mainly targeted children across several schools in Malta and Gozo. It had high cultural, educational and socio-economic value.

On the other hand, Media Events and Master Classes recorded the highest average number of registrations per event and accounted for 24% and 14% of all registrations respectively. As expected, round table discussions, attracted the lowest number of registrations per event (amounting to 23 per event) since these are traditionally organised across more specific settings.

Measuring Total Output

The purpose of this section is to provide an indicative measure of the Direct Economic Impacts that have been generated through the activities carried out at the Mediterranean Film Festival based on the methodology outlined in the report.

As outlined earlier, direct impacts are the result of:

- **The total expenditure in the production, hosting and organisation of the Festival and Associated Activities.**
- **The total incremental tourism expenditure incurred from guests visiting Malta solely for the purpose of participating in the Festival.**

Expenditure Incurred to organise the Mediterranean Film Festival

Expenditure Analysed

To be in a position to decompose such expenditure using the Symmetric Input Output Tables (SIOT) later on in the analysis, expenditure needs to be recategorized to reflect the corresponding NACE Categories of the industries making up the Maltese Economy as a whole. Towards this end, individualised items of expenditure have been reviewed and categorised based on a value judgement made on the nature and type of expenditure as presented in the data being provided. On such bases, expenditure incurred on the organisation, production and hosting of the Mediterranean Film Festival has been recategorized as shown.

As shown in the following table, the most significant expenditure that has been incurred is for Creative Arts & Entertainment Activities (Nace Code 90) which amounted to €2.4 million. This is followed by Advertising and Marketing Research (Nace Code 73) which amounted to €376,402. This budget has been used specifically to promote not only the Mediterranean Film Festival but also the use of Malta as a location for Film and Film Production. Air Transport (Nace Code 51) and Accommodation (Nace Code 55) also accounted for a significant proportion of the total allocated budget (around 9%). This budget was used specifically to bring the crews, staff and foreign speakers to Malta to contribute towards the delivery of the event.

Economic Sector	Nace Code	Aggregate	Event Organisation Expenditure Euro
Advertising & Marketing Research	73	M	376,402
Creative Arts & Entertainment Activities	90	R	2,439,245
Insurance, Reinsurance & Pension Funding	64	K	13,457
Information & Communication Technology	61	J	-
Real Estate Activities	68	L	139,615
Retail Trade	47	G	-
Road Transport	49	H	63,969
Water Transport	50	H	19,450
Air Transport	51	H	344,175
Accommodation	55	I	304,930
Food & Beverage Service Activities	56	I	89,533
Grand Total			3,790,776

Segmenting Participants at the Mediterranean Film Festival

Stakeholders Classification

The Mediterranean Film Festival required the contribution and/or participation of several stakeholders locally and internationally to achieve its intended objectives. Such stakeholders may be segmented as follows:

- Suppliers and Service Providers
- International speakers and professional contributors
- Participating Delegates at the Festival

Creative and Production

Suppliers Breakdown

Festival Suppliers and Service providers have been engaged to support the production, marketing and logistics required to organise and deliver the Mediterrane Film Festival.

It has been concluded that a **total of around 670 employees contributed directly to the festival.**

International Speakers & Delegates

The MFC has informed us that the total number of unique delegates that have participated in the Mediterrane Film Festival was estimated to amount as follows:

- **A total of 249 international guests** were sponsored with the payment of flights and accommodation directly by the Malta Film Commission. The total number of bed nights sponsored amounted to 1,198. Of these international guests, 22 were judges and were further supported with a subsistence allowance.
- **A total of an additional 125 international delegates** have participated in the Mediterrane Film Festival. It is understood that none of these international delegates have benefitted from any sponsorship. For the purpose of the analysis it is assumed that such guests stayed for an equivalent number of bed nights per person as those estimated for the sponsored guests.
- **A total of 929 local delegates** have participated in the Mediterrane Film Festival. Such guests exclude visitors attending the Children Book Reading Event which has been considered as an outlier.

On such basis, the total number of bed nights amounts to 1,799.

Estimating Tourism Expenditure per Bed Night

Expenditure generated because of guests visiting Malta specifically to attend the Mediterranean Film Festival has in part been based on the Tourism Expenditure Survey carried out by the Malta Tourism Authority. The latest data that was available dates to the year 2019.

The Tourism Expenditure Survey broadly segments tourism expenditure into expenditure incurred prior to and during a visitor's stay in Malta. **The average expenditure incurred (as per the Tourism Expenditure Survey) by tourists prior to their stay in Malta amounted to €598 per person.** Based on our calculations, such expenditure may be broadly classified into the following Nace Code:

Expense Type	Nace Code	Ratio	%	Euro
Air Transport	51	0.52	0.33047298	197.76
Accommodation	55	0.50	0.32079048	191.96
Food & Beverage Service Activities	56	0.08	0.04902727	29.34
Road Transport	49	0.39	0.24913229	149.08
Creative Arts & Entertainment	90	0.08	0.05057698	30.27
Total		1.56	1	598.4

The ratios outlined in the table above have been derived from the frequency distribution of expenditure made available in the Tourism Expenditure Report. When these are considered, it may be observed that on average Tourist spent around €197 in Air Transport prior to their arrival in Malta and a further €191 in accommodation. A further €149 was spent on Road Transport.

The Tourism Expenditure Survey further provides an overview of expected expenditure incurred by tourists during their stay in Malta. A summarised analysis of such expenditure is outlined below:

Type	Nace Code	Euro
Accommodation	55	42
Food & Beverage Service Activities	56	166.7
Road Transport	49	30.9
Creative Arts & Entertainment	90	55.6
Retail Trade	47	40.4
Information & Communications Technology	61	0.1
Total		335.7

As expected, Food and Beverage Service Activities accounted for the largest proportion of tourism expenditure during a visitor's stay in Malta. In fact, this accounts for around 50% of the expenditure incurred during the stay. This is immediately followed by the Creative Arts & Entertainment Activities which accounted for around 16.5% of the total expenditure incurred during their stay.

Based on the above, the total expenditure incurred by expense category for a tourist visiting Malta may be aggregated as follows:

Type	Prior to Stay Euro	During Stay	Total
Air Transport	197.76	-	197.76
Accommodation	191.96	42	233.96
Food & Beverage Service Activities	29.34	166.7	196.04
Road Transport	149.08	30.9	179.98
Creative Arts & Entertainment	30.27	55.6	85.87
Retail Trade	-	40.4	40.40
Information & Communications Technology	-	0.1	0.10
Total	598.40	335.70	934.10

Given that the latest Tourism Expenditure Survey was carried out during the year 2019, the above results will need to be adjusted for inflation during the period 2020 to 2023. Moreover, for the purpose of estimating the expected tourism expenditure arising from guests visiting the Mediterranean Film Festival, the average expenditure by Nace Code per bed night needs to be derived.

The Tourism Expenditure survey assumed an average length of stay of 7.3 bed nights. Such results are therefore revised as follows:

Total Tourism Expenditure	Total (base 2019) Euro	Adjustment for 2023 Prices %	Total (2023 Prices) Euro	Average Bed Night Days	Average Spend per Bed Night Euro
Air Transport	198	112%	221	7.3	30
Accommodation	234	112%	261	7.3	36
Food & Beverage Service Activities	196	112%	219	7.3	30
Road Transport	180	112%	201	7.3	28
Creative Arts & Entertainment	86	112%	96	7.3	13
Retail Trade	40	112%	45	7.3	6
Information & Communications Technology	0	112%	0	7.3	0
Total	934		1,044	7.3	143

Rates of inflation have been derived from news releases issued by the National Statistics Office from time to time. As shown above when inflation is considered, the total expenditure per visitor at 2023 prices is adjusted to €1,044.

With an average of 7.3 bed nights per visitor, this amounts to an average spend of €143 per bed night per visitor.

Tourism Expenditure Generated by Mediterrane Film Festival

Having calculated the average spend per tourist per bed night, it is possible to derive the total estimated expenditure for tourists visiting Malta specifically to attend the Mediterrane Film Festival by multiplying the average spend per bed night by the total number of bed nights generated. In deriving this estimate, the total number of bed nights provided by the Malta Film Commission amounting to 1,799 has been used.

Estimated Tourism Expenditure	Nace Code	Expenditure per Visitor Euro	Visitors No	Total Expenditure Euro
Air Transport	51	221	374	82,642
	Nace Code	Expenditure per Bed Night Euro	Total Bed Nights No	Total Expenditure Euro
Accommodation	55	36	1,799	64,439
Food & Beverage Services Activities	56	30	1,799	53,994
Road Transport	49	28	1,799	49,572
Creative Arts & Entertainment Activities	90	13	1,799	23,650
Retail Trade	47	6	1,799	11,127
Information & Communications Technology	61	-	1,799	28
	-	334	-	202,809
Total	-	-	-	285,451

As shown above, it may be observed that the total Tourism Expenditure generated from the Mediterrane Film Festival has been estimated to be in the region of €285,451.

Estimating Total Expenditure/ Output Generated

The total output generated from the Mediterranean Film Festival may now be derived by aggregating the results for both the organisational activities of the festival and the additional expenditure generated through tourism activity created by visitors participating in the festival. This is outlined as follows:

Economic Sector	Nace Code	Aggregate	Event Organisation Expenditure Euro	Tourism Activities Euro
Advertising & Marketing Research	73	M	376,402	
Creative Arts & Entertainment Activities	90	R	2,439,245	22,258
Insurance, Reinsurance & Pension Funding	64	K	13,457	
Information & Communications Technology	61	J		26
Real Estate Activities	68	L	139,615	
Retail Trade	47	G		10,473
Road Transport	49	H	63,969	46,656
Water Transport	50	H	19,450	
Air Transport	51	H	344,175	27,621
Accommodation	55	I	304,930	21,537
Food & Beverage Service Activities	56	I	89,533	50,818
Total			3,790,776	179,389

Measuring Economic Impacts

Having estimated the total output from the activities of the Mediterranean Film Festival, this section shall present an assessment of the direct, indirect, and induced impacts of such output on the Maltese Economy as a whole. This is outlined below:

Decomposing Total Output

The Direct economic impacts of the Mediterranean Film Festival may be segmented into separate components using the GDP Production Approach. Such key elements include (i) Intermediate Production, (ii) Compensation of Employees (iii) Net Taxes on Production, (iv) Consumption of Fixed Capital Formation; and (v) Operating Surplus. The following analysis shall present an overview of the total output broken down into these elements.

The Technical Coefficients

The total output may be decomposed into these components by reference to the relevant technical coefficients published by the National Statistics Office for the Maltese Economy (2010). Technical Coefficients are defined as the ratio of a product from one sector that is required by another sector to produce one unit of its product. Published Technical Coefficients for the relevant sectors forming part of the total output generated by the Mediterranean Film Festival are outlined:

	Distribution	Transport	Hotels & Restaurants	Information & Communication	Finance & Insurance	Real Estate	Professional Services	Arts, Entertainment
Agriculture	-	-	0.034	-	-	-	-	-
Production	0.051	0.031	0.171	0.028	0.002	0.023	0.042	0.006
(Of Which Manufacturing)	0.019	0.014	0.115	0.019	0.003	0.016	0.029	0.003
Construction	0.015	0.02	0.02	0.004	0.001	0.046	0.018	0.002
Distribution	0.02	0.015	0.079	0.022	0.001	0.012	0.013	0.002
Transport	0.09	0.219	0.01	0.017	0.0003	0.005	0.013	0.005
Hotels & Restaurants	0.008	0.014	0.006	0.003	0.001	0.003	0.006	0.002
ICT	0.011	0.014	0.009	0.103	0.002	0.003	0.034	0.023
Financial Services	0.066	0.059	0.06	0.07	0.0018	0.048	0.113	0.038
Real Estate	0.027	0.008	0.027	0.005	0.001	0.024	0.01	0.001
Professional Services	0.033	0.014	0.024	0.034	0.004	0.025	0.157	0.011
Admin & Support	0.014	0.008	0.009	0.007	0.003	0.002	0.025	0.003
Public Administration	0.004	0.002	0.003	0.002	-	0.003	0.003	0.001
Education	0.002	0.003	0.001	0.003	0.001	0.001	0.006	0.001
Health & Social	-	-	-	-	-	-	-	-
Art & Entertainment	-	0.001	-	-	-	-	0.001	0.006
Other Services	0.002	0.002	0.011	-	-	-	0.001	0.001
Households as employers	-	-	-	-	-	-	-	-
Extra Territorial Services	-	-	-	-	-	-	-	-
Total	0.0343	0.41	0.464	0.037	0.037	0.195	0.442	0.102
Imports	0.062	0.225	0.143	0.261	0.869	0.023	0.058	0.57
Net Taxes	0.007	0.015	0.006	0.005	0.005	0.028	0.002	0.021
Compensation of Employees	0.006	0.185	0.227	0.167	0.045	0.012	0.209	0.061
Net Taxes on Production	0.281	-0.017	0.004	-0.001	-	-0.001	0.005	0.001
Consumption of Fixed Capital	0.057	0.06	0.069	0.093	0.005	0.347	0.03	0.029
Operating Surplus Net	0.246	0.125	0.085	0.174	0.04	0.395	0.252	0.215
Gross Value Added Coefficient	0.59	0.353	0.385	0.433	0.09	0.753	0.496	0.306
Total	1.00	1.00	1.00	1.00	1.00	1.00	1.00	11.00

Measuring Direct Economic Impacts

Based on the above data, the Direct Impacts generated by the Mediterranean Film Festival may be segmented as follows.

As shown, the professional services industry, the financial services industry, the manufacturing, and transport industry have generated the highest levels of intermediate production.

Most of the financial services activities impacted by the film festival include insurance underwriting and brokerage services. On the other hand, manufacturing activities include the production and assembly of equipment for the festival.

Finally, transportation mainly encompasses Air Transport and Road Transport activities used as part of the event logistics for visitors, equipment and cargo.

The professional services industry, the financial services industry, the manufacturing, and transport industry have generated the highest levels of intermediate production



Direct Impacts

	Distribution Euro	Transport Euro	Hotels & Restaurants Euro	Information & Communication Euro	Finance & Insurance Euro	Real Estate Euro	Professional Services Euro	Arts, Entertainment Euro	Total Euro
Agriculture	-	-	15,872	-	-	-	-	-	15,872
Production	534	15,558	79,826	1	27	3,211	15,809	14,769	129,735
(Of Which Manufacutring)	199	7,026	53,684	-	40	2,234	10,916	7,385	81,484
Construction	157	10,037	9,336	-	13	6,422	6,775	4,923	37,663
Distribution	209	7,528	36,879	1	13	1,675	4,893	4,923	56,121
Transport	943	109,909	4,668	-	40	698	4,893	12,308	133,459
Hotels & Restaurants	84	7,026	2,801	-	13	419	2,258	4,923	17,524
ICT	115	7,026	4,201	3	27	419	12,798	56,615	81,204
Financial Services	691	29,610	28,009	2	242	6,702	42,533	93,537	201,326
Real Estate	283	4,105	12,604	-	13	3,351	3,764	2,462	26,492
Professional Services	346	7,026	11,204	1	54	3,490	59,095	27,077	108,293
Admin & Support	147	4,015	4,201	-	40	279	9,410	7,385	25,477
Public Administration	42	1,004	1,400	-	-	419	1,129	2,462	6,456
Education	21	1,506	467	-	13	140	2,258	2,462	6,867
Health & Social	-	-	-	-	-	-	-	-	-
Art & Entertainment	-	502	-	-	-	-	376	14,769	15,647
Other Services	21	1,004	5,135	-	-	-	376	2,462	8,998
Households as employers	-	-	-	-	-	-	-	-	-
Extra Territorial Services	-	-	-	-	-	-	-	-	-
Total	3,593	205,766	216,603	8	495	27,225	166,367	251,077	871,134
Imports	649	112,921	66,755	7	11,694	3,211	21,831	1,403,057	1,620,125
Net Taxes	73	7,528	2,801	-	67	3,909	753	51,692	66,823
Compensation of Employees	63	94,846	105,968	4	606	1,675	78,668	150,152	429,982
Net Taxes on Production	2,943	(8,532)	1,867	-	-	(140)	1,882	2,462	482
Consumption of Fixed Capital	597	30,112	32,210	2	67	48,447	11,292	71,384	194,111
Operating Surplus Net	2,576	62,734	39,680	5	538	55,148	94,853	529,223	784,757
Gross Value Added Coefficient	6,179	177,160	179,725	11	1,211	105,130	186,695	753,221	1,409,332
Total	10,473	501,870	466,818	26	13,457	139,615	376,402	2,461,504	3,970,164

Indirect Benefits: Deriving the Type 1 Multiplier

The resulting output of the Mediterranean Film Festival is also expected to generate indirect benefits in addition to the direct benefits described above through Multiplier Effects. Two primary forms of multipliers may be derived from the Supply Input Output Types. These include (i) Type 1 Multiplier and (ii) Type 2 Multiplier. The following sections will present an estimate of the Type 1 Multiplier economic impacts generated by the Mediterranean Film Festival.

The Leontief Inverse Curve

Type 1 Multipliers measure the ratio between the total effect on primary inputs of a change in final demand for domestic output of this product category and the initial effect on primary inputs of the change. Type 1 Multipliers are measured by reference to the closed Leontief Inverse. The relevant Leontief Inverse indices for the estimation of the Type 1 Multipliers as published by the National Statistics Office are outlined below:

Economic Sector	Nace Code	Category	Type 1 multiplier Direct & Indirect Impacts
Advertising & Marketing Research	73	M	1.52
Creative Arts & Entertainment Activities	90	R	1.34
Insurance, Reinsurance & Pension Funding	64	K	2.27
Information & Communications Technology	61	J	1.61
Real Estate Activities	68	L	1.28
Retail Trade	47	G	1.51
Road Transport	49	H	1.53
Water Transport	50	H	1.81
Air Transport	51	H	1.79
Accommodation	55	I	1.63
Food & Beverage Service Activities	56	I	1.63

Deriving the Indirect Impacts

Based on the previous tables, the total Type 1 Multiplier may be derived as follows:

Economic Sector	Nace Code	Category	Type 1 Multiplier	Direct Impacts Euro	Direct & Indirect Impacts Euro	Indirect Impacts Euro
Advertising & Marketing Research	73	M	1.52	376,402	572,132	195,729
Creative Arts & Entertainment Activities	90	R	1.34	2,461,504	3,298,415	836,911
Insurance, Reinsurance & Pension Funding	64	K	2.27	13,457	30,547	17,090
Information & Communications Technology	61	J	1.61	26	42	16
Real Estate Activities	68	L	1.28	139,615	178,708	39,092
Retail Trade	47	G	1.51	10,473	15,814	5,341
Road Transport	49	H	1.53	110,624	169,255	58,631
Water Transport	50	H	1.81	19,450	35,205	15,755
Air Transport	51	H	1.79	371,796	665,514	293,718
Accommodation	55	I	1.63	326,467	532,141	205,674
Food & Beverage Service Activities	56	I	1.63	140,351	228,772	88,421
Total	-	-	-	3,970,164	5,726,543	1,756,379

The Type 1 Multiplier measures both direct and indirect Impacts. The indirect economic impacts generated by the Mediterranean Film Festival may be derived by subtracting the Direct Impacts from the Type 1 Multiplier Results. **This results in an additional €1.75 million of output generated in the economy.** It is further worthwhile to note that a considerable proportion of the indirect economic impact (equivalent to 47%) is generated through Creative Arts & Entertainment Expenditures incurred on the Festival. As expected, Road Transport, Air Transport and Accommodation Sectors generate most of the remaining indirect economic activity.

Induced Benefit: Deriving the Type 2 Multiplier

Expenditure on the Mediterranean Film Festival is expected to generate induced beneficial impacts on the overall economy. Induced impacts are measured by reference to the Type 2 Multiplier. An analysis of the induced economic impacts created by the Mediterranean Film Festival is outlined below:

The Open Leontief Inverse Index

As outlined earlier, in a closed Leontief system, all inputs into production are produced and outputs exist solely to serve as inputs. This gives rise to a measure of both direct and indirect impacts. In an open Leontief system, these assumptions are relaxed such that allowance is made for discretionary consumption and non-produced factors. More specifically an open system recognises that consumption demand has to be met and factor endowments such as labour has to be paid. The relevant Closed Leontief Inverse indices for the estimation of the Type 2 Multipliers have been published by the Central Bank of Malta and are outlined below:

Economic Sector	Nace Code	Category	Index
Advertising & Marketing Research	73	M	0.54
Creative Arts & Entertainment Activities	90	R	0.2
Insurance, Reinsurance & Pension Funding	64	K	0.69
Information & Communications Technology	61	J	0.49
Real Estate Activities	68	L	0.12
Retail Trade	47	G	0.69
Road Transport	49	H	0.42
Water Transport	50	H	0.44
Air Transport	51	H	0.61
Accommodation	55	I	0.62
Food & Beverage Service Activities	56	I	0.62

Deriving the Induced Impacts

Based on the previous tables, the total Type II Multiplier may be derived as follows:

Economic Sector	Nace Code	Category	Type 2 Multiplier	Direct Impacts Euro	Type 1 Multiplier Euro	Type 2 Multiplier Euro	Induced Impacts Euro
Advertising & Marketing Research	73	M	2.06	376,402	572,132	775,389	203,257
Creative Arts & Entertainment Activities	90	R	1.54	2,461,504	3,298,415	3,790,716	492,301
Insurance, Reinsurance & Pension Funding	64	K	2.96	13,457	30,547	39,832	9,285
Information & Communications Technology	61	J	2.1	26	42	54	13
Real Estate Activities	68	L	1.4	139,615	178,708	195,461	16,754
Retail Trade	47	G	2.2	10,473	15,814	23,040	7,226
Road Transport	49	H	1.95	110,624	169,255	215,717	46,462
Water Transport	50	H	2.25	19,450	35,205	43,763	8,558
Air Transport	51	H	2.4	371,796	665,514	892,309	226,795
Accommodation	55	I	2.25	326,467	532,141	734,551	202,409
Food & Beverage Service Activities	56	I	2.25	140,351	228,772	315,789	87,018
Total	-	-	-	3,970,164	5,726,543	7,026,621	1,300,078

As shown above, the induced impacts may be derived by subtracting the Type II multiplier result from the Type I multiplier. When this is considered, it may be observed that **the Mediterrane Film Festival has generated around €1.3 million in induced impacts**. Most of these benefits have been largely concentrated around the advertising and market research sector, the Creative Arts & Entertainment Activities, the Road Transport, the Air Transport Sector and the Accommodation Sector.

Value Added and Value-Added Multiplier

So far the analysis has focused primarily on the direct, indirect and induced outputs that are generated by the Maltese Economy as a result of the activities of the Mediterranean Film Festival. However total output does not measure the net impact on wealth creation. This is typically represented through the measurement of Gross Value Added. In a similar manner, the direct, indirect and induced impacts on Gross Value-Added arising from the activities of the Mediterranean may be derived and are detailed here.

Measuring the Direct Impacts of Gross Value Added

The direct impacts on gross value added generated by the Mediterranean Film Festival may be derived by reference to the Gross Value-Added Coefficients that have been outlined earlier. These are summarised below:

Economic Sector	Nace Code	Category	Gross Value Added Coefficients	Total Output Euro	Value Added Euro
Advertising & Marketing Research	73	M	0.496	376,402	186,696
Creative Arts & Entertainment Activities	90	R	0.306	2,461,504	753,220
Insurance, Reinsurance & Pension Funding	64	K	0.09	13,457	1,211
Information & Communications Technology	61	J	0.433	26	11
Real Estate Activities	68	L	0.753	139,615	105,130
Retail Trade	47	G	0.59	10,473	6,179
Road Transport	49	H	0.35	110,624	39,050
Water Transport	50	H	0.353	19,450	6,866
Air Transport	51	H	0.353	371,796	131,244
Accommodation	55	I	0.385	326,467	125,690
Food & Beverage Service Activities	56	I	0.385	140,351	54,035
Total	-	-	-	3,970,164	1,409,332

As highlighted, the available Gross Value Added Coefficients made available by the National Statistics Office have been grouped at a category level. Although in a subsequent paper published by the Central Bank of Malta, Gross Value-Added Coefficients for NACE codes at two-digit level were available, some of the categories were not disclosed for confidentiality reasons. We have therefore used the Gross Value-Added Coefficients published by the National Statistics Office at the category level and applied it homogenously across all two-digit NACE codes relating to that category. This poses some limitations on the results since average GVA Coefficients are likely to fluctuate across several NACE codes within the same category.

Based on these assumptions and limitations, it may be observed that the **total gross value added generated through the festival has been estimated to be in the region of €1.4 million. Of this, a total of €753,220 has been generated by the Creative Arts & Entertainment Activities.**

Finally, it is also worth noting that around €429,982 of direct Gross Value Added has been generated in the form of Wages and Salaries to employees and a further €784,757 in direct Net Operating Surplus to enterprises participating directly in the events. **Considering indirect and induce impact Wages and Net Operating Surplus increased to €624,898 and €1,197,186 respectively.**

Measuring the Indirect and Induced Impacts of Gross Value Added

The Indirect and Induced Impacts of Gross Value Added may be derived directly by application the corresponding Type I and Type II Value Added Multipliers as published by the Central Bank of Malta. The underlying Type I and Type II Value Added Multipliers and the resulting impacts generated through the Mediterranean Film Festival are outlined:

Economic Sector	Nace Code	Category	Type 1 Multiplier (Direct and Indirect)	Type 2 Multiplier (Induced Only)	Gross Value Added (Direct)	Type 1 Multiplier (Direct and Indirect)	Type 2 Multiplier (Direct, Indirect, Induced)
Advertising & Marketing Research	73	M	0.59	0.24	186,696	222,077	312,414
Creative Arts & Entertainment Activities	90	R	0.49	0.009	753,220	1,206,137	1,228,290
Insurance, Reinsurance & Pension Funding	64	K	0.34	0.31	1,211	4,575	8,747
Information & Communications Technology	61	J	0.65	0.22	11	17	23
Real Estate Activities	68	L	0.9	0.05	105,130	125,654	132,635
Retail Trade	47	G	0.81	0.31	6,179	8,483	11,729
Road Transport	49	H	0.69	0.19	39,050	76,331	97,349
Water Transport	50	H	0.52	0.2	6,866	10,114	14,004
Air Transport	51	H	0.46	0.27	131,244	171,026	271,411
Accommodation	55	I	0.65	0.28	125,690	212,203	303,614
Food & Beverage Service Activities	56	I	0.65	0.28	54,035	91,228	130,526
Total	-	-	-	-	1,409,332	2,127,845	2,510,742

As shown above, **the total Gross Value Added generated through the Mediterranean Film Festival is estimated to be in the region of €1.4 million. Such value added is increased to €2.1 million and €2.5 million respectively when indirect and induced impacts are considered.** Once again, Creative Arts & Entertainment Activities have generated the largest impact but is diluted from 53% of total GVA to around 49% when indirect and induced impacts are considered.

Employment and Employment Multipliers

Economic Activity

As explained in this report, the increased economic activity directly translates into the creation and/or enhancement of jobs in the marketplace. In fact as stated earlier, a significant proportion of Gross Value Added is generated due to increased compensation to employees. **The Mediterrane Film Festival is estimated to have generated a total of €624,898 in the form of compensation to employees when the indirect and induced impact is considered.** The potential employment that may have been developed as a result of the Festival may be estimated by reference to the Employment Ratios and Employment Type I and Type II Multipliers as published by the Central Bank of Malta.

Direct Employment Created by the Mediterrane Film Festival

The total direct employment created by the Mediterrane Film Festival may be derived by using the Employment Ratios. These are expressed in the form of the number of full-time equivalent positions created for every €1 million in value of output generated by each sector of the economy as a whole. On such basis, the total direct employment that is estimated to have been created by the Mediterrane Film Festival is outlined below.

Economic Sector	Nace Code	Category	Employment Ratio	Output Euro	Direct Employment No.
Advertising & Marketing Research	73	M	0.012	376,402	5
Creative Arts & Entertainment Activities	90	R	0.002	2,461,504	5
Insurance, Reinsurance & Pension Funding	64	K	0.005	13,457	-
Information & Communications Technology	61	J	0.007	26	-
Real Estate Activities	68	L	0.002	139,615	-
Retail Trade	47	G	0.029	10,473	-
Road Transport	49	H	0.02	110,624	2
Water Transport	50	H	0.004	19,450	-
Air Transport	51	H	-	371,796	-
Accommodation	55	I	0.015	326,467	5
Food & Beverage Service Activities	56	I	0.015	140,351	2
Total	-	-	-	3,970,164	19

As shown, it may be observed that a total of around 19 full time equivalent positions could have been created because of economic activity generated by the Mediterranean Film Festival. This figure excludes any direct employment generated in the Air Transport Industry given that the employment ratios for this industry have not been disclosed for confidential reasons.

The Advertising and Creativity industries are expected to be the largest recipients, with an expected increase of 10 full-time equivalent positions. This is immediately followed by the Accommodation Industry, which is expected to benefit from an addition of 5 full-time equivalent positions.

Deriving the Employment Type I and Type II Multipliers

Expected Indirect and Induced Impacts

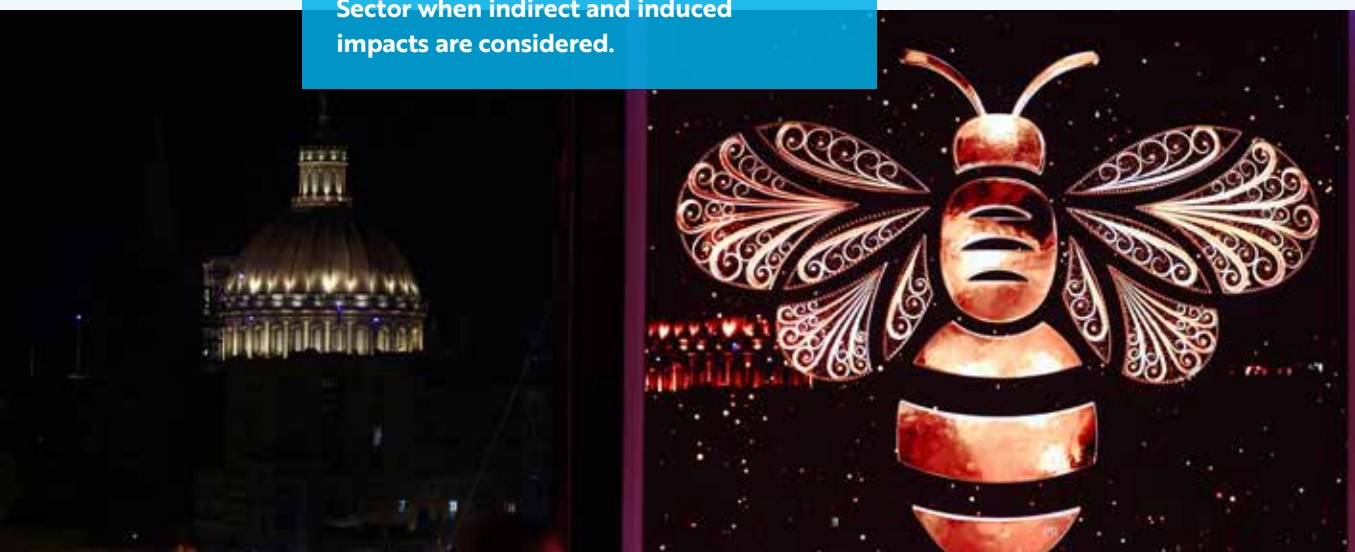
Having identified the potential number of full-time equivalent positions that could have been created through the Mediterranean Film Festival, the next step in the process shall consist in determining the expected indirect and induced impacts on employment through the festival activities. These may be derived through the application of the Type I and Type II Employment multipliers as published by the Central Bank of Malta. These are outlined here:

As shown, it may be observed that the total number of Full Time Equivalent positions created when both direct and indirect impacts are considered increased to 38. The FTE positions increase further to a total of 53 when the Type II Employment multiplier is considered. Once again, most of the additional employment has been created in the Creativity Sector increasing from 5 FTEs to 12 and 17 when indirect and induced impacts are considered. On the other hand, it is further observed that the total number of FTEs created (when both Direct and Indirect Impacts are considered) for both the Advertising & Market Research Industry amounts to 9 FTEs.

Finally, it is also worthwhile to note that the total FTE positions in the accommodation sector increase to 8 and 10 respectively based on Type I and Type II multiplier workings respectively.

Economic Sector	Nace Code	Category	Type1 Employment Multiplier	Type2 Employment Multiplier	Total Output Euro	Direct & Indirect FTE No	Direct, Indirect & Induced FTE's No
Advertising & Marketing Research	73	M	17	6	376,402	6	9
Creative Arts & Entertainment Activities	90	R	5	2	2,461,504	12	17
Insurance, Reinsurance & Pension Funding	64	K	16	8	13,457	-	-
Information & Communications Technology	61	J	12	6	26	-	-
Real Estate Activities	68	L	5	1	139,615	1	1
Retail Trade	47	G	34	8	10,473	-	-
Road Transport	49	H	27	5	110,624	3	4
Water Transport	50	H	13	5	19,450	-	-
Air Transport	51	H	14	7	371,796	5	8
Accommodation	55	I	23	7	326,467	8	10
Food & Beverage Service Activities	56	I	23	7	140,351	7	4
Total	-	-	-	-	3,970,164	38	53

Most of the additional employment has been created in the Creativity Sector when indirect and induced impacts are considered.





3.0

Industry Assessment

Assessment of
the impact of the
Mediterranean Film
Festival on the film
industry.



The Film Industry

As we delve deeper into understanding the multifaceted impacts of the Mediterranean Film Festival, this section specifically focuses on assessing its ramifications within the film industry. After examining the digital and economic facets in previous sections, we now pivot to uncover how the festival has influenced industry dynamics. To provide a comprehensive analysis, this section will be divided into four distinct but interrelated sub-sections:

- Business Impact
- Talent Development
- Networking Influence
- Broader Industry Impact
- The Mediterranean Film Festival

Combining the data-driven insights from surveys and the nuanced perspectives from interviews, we aim to offer a holistic view of the festival's industry impact. This multi-pronged approach allows us to understand not only the immediate benefits brought about by the festival but also its potential to catalyse long-term industry growth and development.

Our Approach

Decision makers in the film industry include producers, directors, screenwriters, studio executives, distributors, and actors. They collectively shape the creative and financial aspects of filmmaking, from greenlighting projects to crafting scripts, overseeing budgets, marketing, and delivering memorable performances. These individuals collaborate to bring captivating stories to audiences worldwide, influencing the course of cinematic creativity.

The opinion of these decision makers in the film industry possess valuable insights that provide a comprehensive understanding of how the Mediterranean Film Festival has influenced the Maltese film industry.

Analysing their feedback through a survey of attendees and stakeholder interviews is an effective way to comprehensively assess this impact.

Survey Analysis of Attendees

This portion of the section will utilize quantitative metrics gathered from festival attendees to gauge sentiment and perception. Key indicators, such as industry-specific ratings and Net Promoter Scores, will be discussed to quantify the festival’s effectiveness in enhancing Malta’s industry profile.

Stakeholder Interviews

To add qualitative depth to our analysis, this subsection will include insights extracted from one-on-one interviews with crucial industry stakeholders—namely Location Managers and Studio Executives. The intention is to capture firsthand accounts of the festival’s influence on international collaborations, investment attraction, and Malta’s burgeoning role in the global film production ecosystem.

Questionnaires

Target	Answers
Press	8
Location Managers	5
Producers	3
Top Stakeholders	8
Studio Executives	2
General	34

3.1

Market Expansion

Business Impact

Impact on the Film Industry

The film industry, with a global movie production and distribution market size of \$77.2 billion as of 2023, is undeniably worthy and significant. It is the most substantial contributor to the global economy, holding a market share of 26.5% in Europe as of 2021.

The festival has significantly enhanced Malta's reputation as a business destination. Notably, studio executives, producers, top stakeholders, and location managers unanimously rated Malta as a highly business-friendly jurisdiction, with an average rating of 8.81 out of 10.

Before the festival, an average rating of 5.77 was attributed to Malta as a business destination, however, this rating soared to an impressive 8.54 after the festival. This overwhelming support from industry professionals underscores the festival's role in positioning Malta as an attractive hub for film-related businesses.

Location Scout Manager, Leann Emmert pointed out the importance of inviting key decision-makers like studio executives and location managers to festivals, as they are the ones who can make significant contributions to the industry.

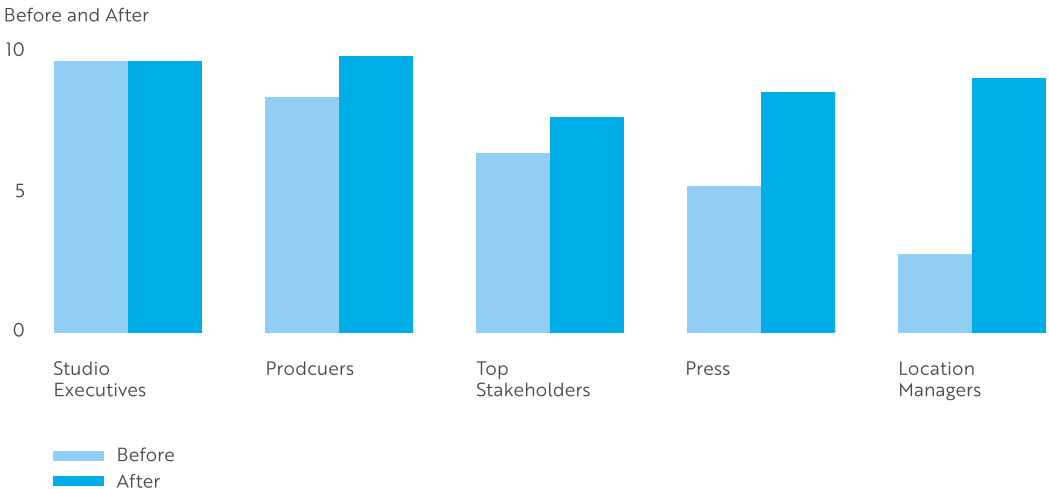
The impact of the Mediterranean Film Festival on the film industry in Malta continues to shine brightly, with Studio Executives' resounding endorsement playing a significant role.

When top stakeholders who attended the festival were asked whether they would recommend the festival to a friend or colleague, Malta received the highest ratings possible – and even an impressive score of 9.5 out of 10. This remarkable rating not only underscores the festival's excellence in the eyes of industry professionals but also signifies their unwavering support and enthusiasm for the event.

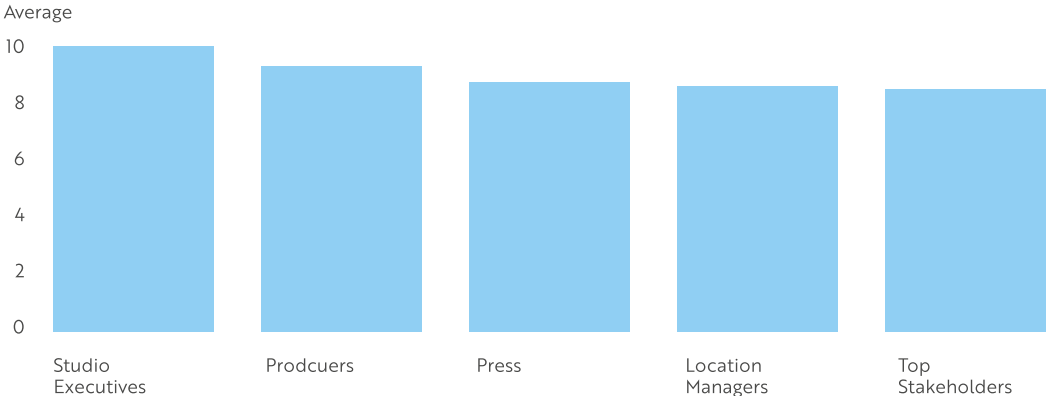
Malta's Positioning

Malta's positioning as a burgeoning hub for filmmaking has garnered significant attention and enthusiasm, as evidenced by the insights shared by industry professionals who recently participated in a festival held in the country.

Improvement in the recognition of Malta business destination



Do you consider Malta as a Business Friendly Destination (1-10)



The festival acted as an eye-opener for many, including Producer and Senior Production Executive Mark Costa, who embarked on his first journey to Malta. **Professionally, the unique and diverse locations in Malta, especially the water tank, captured his imagination and was deemed superior to alternatives in other locales.** He mentioned a discussion with a producer friend who wants to film a water scene. He suggested using Malta instead of the current location in the Dominican Republic, as the latter has become outdated, apart from the fact that the people and the culture of Malta would definitely be the better choice. He strongly believes that after this experience he will promote Malta in his future work. The festival's influence extends to future film projects.

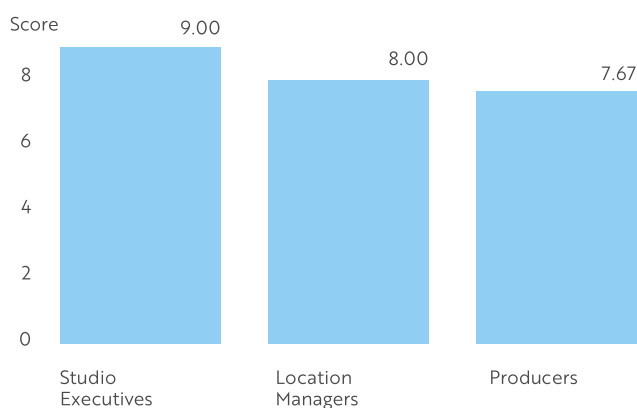
Studio executives, who are instrumental in deciding where to film their next projects, bestowed an average rating of 9 to Malta.

Location managers, responsible for selecting filming destinations, gave Malta a commendable rating of 8, indicating strong consideration for the island.

Producers also recognized Malta's potential, with the lowest rating of 7.67 and the highest being a 9, expressing interest in organizing world premieres for their upcoming projects at the Mediterranean Film Festival. These high ratings from industry insiders showcase the festival's pivotal role in cementing Malta's status as a preferred destination for film production and related activities.

These ratings add yet another layer of evidence to the festival's positive impact on Malta's film industry, affirming its role as a beacon of excellence and a catalyst for growth and recognition within the sector. Malta's impressive standing in the eyes of Studio Executives and other top stakeholders reflects not only the festival's quality but also its potential to drive further industry engagement and collaboration on the island.

Likelihood to film in Malta





If a film were to be filmed in Malta, a single scene could potentially have a budget ranging from 1 to 2 million dollars. However, when considering an entire film with all its scenes shot in Malta, the budget could easily reach up to 100 million dollars.

Leann Emmert
Location Scout Manager

British Film Director, James Nunn, clearly explained, he has worked in Malta and is already a supporter of the country as a filmmaking location, as it presents itself exceptionally well as a destination for filmmaking. He highlights that Malta already has a world-class reputation with films like *Gladiator* and *Jurassic World* being shot there. James mentions that during one of the tours organised during the Festival, he was impressed by the display of costumes from various movies, including *Napoleon* and *Gladiator*, which can make newcomers realize the rich cinematic history of Malta.

The impact of the Mediterranean Film Festival on the film industry in Malta becomes even more compelling when considering the perspectives of top stakeholders.

Data shows that before the event, 50% of these key industry figures had previously visited Malta. However, what's particularly noteworthy is the significant increase in the probability of their return visits post-festival.

This data demonstrates the festival's unique ability to not only attract top industry figures but also to leave such a positive impression that they are highly inclined to return.

Such a substantial increase in the probability of top stakeholders revisiting Malta underscores the festival's pivotal role in solidifying Malta's status as a preferred destination for film-related endeavours and industry networking, making it an indispensable asset to the Maltese film industry.

Mr Nunn also commented on the diverse visual locations. Depending on the project's requirements, Malta offers a variety of visually appealing locations, such as beaches, underwater settings, and more. He suggests that Malta is particularly well-suited for projects that require unique landscapes.



Once you actually come to the Island, you know, you've got the benefit of the weather, which is a big thing we look for because you don't want to be rained off.

James Nunn
British Film Director



Malta could be felt to be safe, and I did not experience this in other places for a very long time... and a definite place to propose to high level stars as a place to stay whilst filming... a very important factor to consider.

Mark Costa

Producer and
Senior Production Executive

Steven Weintraub, Editor-in-Chief of Collider, compares Malta to Iceland, highlighting both locations' uniqueness in terms of landscapes. He mentions that Malta's streets can transport you back in time to various historical eras, making it a versatile location for recreating different time periods, such as the 70s, 60s, 50s, and earlier.

Adrian Wootton, Chief Executive of Film London and British Film Commission, believes that the festival helped educate people who were unfamiliar with Malta, including its filmmaking facilities and cultural history. He sees the festival as **providing international press coverage for Malta and creating new awareness about the film and television industry in the country**, something that hadn't been done before. Overall, he views the festival as a successful platform for promoting Malta in various ways.

Mr Wootton also believes that the festival's dynamic and interesting aspects, such as tours of water tanks, stages, and studios, left a positive impression. He believes that the festival served as a valuable business development activity, informing business executives who may not have considered making films in Malta previously.

The festival has emerged as a successful platform for promoting Malta on both artistic and business fronts, elevating its status as an increasingly prominent destination in the world of filmmaking. This could be further confirmed from the strong support from attendees, as reflected in an average Net Promoter Score (NPS) of 77%. This high NPS score indicates a significant level of satisfaction and advocacy among festivalgoers, solidifying the festival's position as a beloved event within the industry.

Moreover, an average likeliness rating of 9.15 to recommend the festival underscores the enthusiasm and positive sentiment that attendees feel toward the Mediterranean Film Festival.



The festival helped educate people who were unfamiliar with Malta, including its filmmaking facilities and cultural history.

Adrian Wootton
Chief Executive of Film London
and British Film Commission

Malta an Amazing Film Experience

Malta, renowned for its rich history, stunning landscapes, and vibrant culture, has now emerged as an incredible destination for filmmakers, offering a truly exceptional cinematic experience.

The following testimonials unveil the various facets of Malta that have captured the hearts and minds of filmmakers, from its pristine safety and cleanliness to its culinary diversity, favorable weather, and enticing tax incentives.

Prepare to embark on a journey through the lens of these seasoned professionals, as they reveal why Malta stands out as a remarkable choice for the world of filmmaking.

According to Producer Mark Costa, the festival provided exposure to Malta, as he found the country to be safe and clean, which he hadn't experienced in other places for a long time. He remarked that he views Malta as an ideal place to recommend to high-level stars for accommodation during filming, highlighting its importance. He was impressed with the promotion of Malta and expressed a desire to revisit the country for a holiday. He was impressed with the culinary diversity and uniqueness in Malta, particularly considering his dietary restrictions. The variety of dining options and unique settings left a positive impression on him.

Mr Nunn emphasised Malta's favourable weather as another advantage. Filmmakers prefer locations with consistent weather conditions to avoid disruptions, and Malta provides this benefit.

Location Scout Manager Leann Emmert, **acknowledged Malta's appealing and successful tax incentives but emphasized that the primary motivation for choosing a location should be the overall atmosphere and vibe.** She commended Malta for its knowledgeable local crew, quality hotels, friendly locals, and favourable climate, making it a positive place for filming. She expressed her intention to recommend Malta as a filming location.

Editor-in-Chief for Collider, Steven Weintraub, emphasizes the significance of the Mediterranean Film Festival in putting Malta on the map. He believes that the festival encourages people in the film industry to consider Malta as a filming location. Attendees can share their experiences and insights with colleagues, potentially leading to future film productions in Malta.

He highlights the natural and timeless locations in Malta that require minimal set dressing, which can lead to cost savings for filmmakers. **Mr Weintraub values Malta's tax rebate system as an incentive for filmmakers to choose the island as a filming destination.**

Malta a Pro-Business Culture

Malta, with its pro-business culture, has firmly established itself as an inviting and competitive destination for the global film industry. The following interviews shed light on the pivotal role that Malta's business-friendly environment plays in attracting filmmakers and fostering a thriving cinematic landscape. Notably, **Malta's generous tax incentives have garnered unanimous acclaim, rendering it a captivating choice from a business perspective. These incentives, competitive on a global scale, serve as a powerful magnet for filmmakers seeking cost-effective yet high-quality locations. Beyond financial advantages, the importance of government support and robust infrastructure development becomes apparent, ensuring a seamless filming process and solidifying Malta's reputation as a haven for the film industry.**

Film Director James Nunn, mentions that Malta offers a very generous tax incentive for filmmakers, making it a compelling choice from a business perspective. He noted that such incentives exist in various countries worldwide and are designed to attract filmmakers. Malta's tax incentive is competitive and serves as a strong incentive for choosing the location.

Location Scout Manager, Leann Emmert, **praised Malta's competitive tax incentives, especially for remote or island locations, highlighting them as some of the best in the world.** Tax incentives were emphasized as a crucial factor in balancing the costs of filming in a new location. Leann also stressed the importance of establishing contacts with the government to ensure a smooth filming process without any issues. Government support is essential, and the film industry is willing to reciprocate.



Well, I came first to Malta last year after Jurassic World, and I had a very positive experience. And coming back this year, for the film festival... it demonstrated how much Malta is trying to lean into film.

Steven Weintraub
Editor-in-Chief for Collider

The argument was further enhanced by Kurt Farrugia, Chief Executive Officer of Malta Enterprise, highlighting collaborations between Malta Enterprise and the Film Commission to support the film industry. Malta Enterprise has developed various incentives for the sector and even conducted a workshop during the Festival to introduce these incentives.

Mr Farrugia further emphasized the need for the Film Commission to promote these incentives more effectively, possibly through a document that outlines the benefits and incentives available. Mr Farrugia also mentioned the importance of creating a sense of community within the film industry, allowing local and international professionals to share their experiences.

Mr Farrugia believes that the publicity generated by such international events often exceeds the actual cost of organizing them. He highlights the mostly positive impact on Malta's international image. Mr Farrugia stresses the importance of portraying Malta as a film location. Additionally, encouraging employees to share international articles on social media to increase awareness and curiosity about the country's offerings beyond just film locations. They note that such international exposure contributes to Malta's appeal and sophistication as a place for doing business.



Such international exposure contributes to Malta's appeal and sophistication as a place for doing business.

3.2

Qualitative Perspectives on Talent

Mediterrane Film Festival: Fulfilling the capacities required by the Film Industry

Behind the Scenes

Malta's commitment to talent development behind the scenes in the film industry is a testament to its dedication to fostering a thriving and sustainable cinematic landscape. In the following interviews, we gain valuable insights into how Malta's investment in nurturing local expertise and facilitating collaboration with international professionals is shaping the future of the industry.

British Film Director James Nunn **was impressed by the skilled film crew that Malta has to offer. He attests to the capability of the local film crew in servicing productions.** He mentioned that he has personal experience shooting movies in Malta and have found the crew to be excellent. He also noted that filmmakers at the Mediterrane Film Festival had the opportunity to interact with experienced crew members, which was very reassuring for those considering the location. He also emphasized that the event had a strong Malta-centric focus, with conversations predominantly revolving around two main topics: the festival itself and the prospect of making films in Malta.

The Future of the Malta Film Industry

Composer and Producer Elton Zarb, emphasized that collaborating with international directors and professionals provided him with valuable learning experiences and new perspectives. **The festival offered unique opportunities to work with international professionals, contributing to personal growth and the film industry's development.**

Professor James Calleja, Principal and Chief Executive Officer for MCAST, expressed strong support for the collaboration between MCAST and the film industry, recognizing the potential it holds for its students' futures. He described the strong interest shown by students in activities promoting the film industry's visibility, noting **a recent event attended by the Film Commission with a high turnout of over 300 students, illustrated the enthusiasm among students.**

Professor Calleja emphasizes the significance of the film industry in creating new job opportunities, especially for young people. Professor Calleja highlighted the fact that the **film industry offers clear career prospects because it is dedicated to entertainment and the creation of virtual worlds, including fantasies and science fiction.**

University of Malta Rector Professor Alfred Vella, also emphasized the importance of introducing students to careers in the film industry as an alternative to traditional vocations, emphasizing the advantages of academically trained personnel. He encourages students to pursue degrees, not just for specific job paths, but for the confidence and ability to continue learning and adapt to various challenges



Thanks to the Malta Film Commission, the Film Industry is becoming more visible to the students for employability purposes.

Professor James Calleja
Principal and Chief Executive
Officer for MCAST



For content creators
the festival was an
enlightening experience
that broadened their
creative horizons.

Creating Local Opportunities

Throughout the festival, Local Director and Producer Steven Dalli, gained significant professional insights by working with international directors and engaging during the roundtables and masterclasses. Local Producers appreciated the opportunity to view things from an international perspective and to learn about the intricacies of large-budget film production, which they could potentially apply to their own work.

The festival provided access to knowledge that is typically acquired through paid courses, making it a unique and valuable opportunity. The speakers and international producers were commended for their informative and approachable nature, making participants feel like an integral part of the industry.

For content creators the festival was an enlightening experience that broadened their creative horizons.

The island's rich pool of local talent, capable film crews, and the commitment to nurturing expertise through international collaboration was highlighted through the Festival. The festival provided an invaluable platform for knowledge exchange, offering unique insights into large-budget film production typically reserved for paid courses. Professor Vella and Professor Calleja emphasized the importance of exposing students to the film industry as a viable career path, offering job opportunities and fostering adaptability.

The festival's enduring impact is its role in propelling Malta onto the global cinematic stage, fostering an exciting and promising future for its film industry.

3.3

Networking Influence

Connecting the eco-system locally and internationally

The importance of networking and collaboration in shaping an evolving vision within the realm of filmmaking is paramount, and it is through these interactions that innovative ideas are born and relationships are forged. In the following interviews, we explore the profound impact of networking on the participants of the festival, highlighting the festival's role in uniting individuals who share a passion for Malta and filmmaking.

According to British Film Director James Nunn, the Festival lauded its role in uniting filmmakers. The presence of familiar Maltese film crews and the chance to reconnect with them enriched his experience. It was the shared passion for Malta and filmmaking that united like-minded individuals, making the festival a memorable occasion.

For Producer Mark Costa, the festival offered diverse experiences, from encounters with local suppliers to behind-the-scenes studio visits.

Facilitating Initiatives and Collaborations

In terms of networking and collaboration, Steven Weintraub, Editor-in-Chief for Collider, **found meaningful interactions with international industry professionals, resonating with the festival's international appeal.** It was evident that the festival was exposing more people to Malta's unique locations, potentially attracting future film producers.

Chief Executive of Film London and the British Film Commission Adrian Wootton, apart from being the Jury President of the Mediterranean Film Festival, also signed an MOU with the Malta Film Commissioner. This agreement was seen as a significant opportunity to strengthen working relationships between both countries. Mr Wootton emphasized the importance of spending time with the Malta Film Commission team during the festival.

Additionally, Mr Wootton had **meaningful networking opportunities with a diverse group of international industry professionals, including writers, directors, producers, actors, and film critics.**

Mr Wootton also visited film facilities in Malta and had the chance to observe the production of a major feature film and meet with its producers. Overall, Mr Wootton expressed that he accomplished a lot in a short period in terms of networking and sharing information with fellow industry professionals during his time in Malta.

Mr Wootton believes that these festivals, like the one organised in Malta, offer more opportunities for meaningful interactions and detailed exchanges with people in attendance. Mr Wootton also noted that despite being the first edition of the festival, it brought together a great group of individuals, allowing them to establish new contacts and reconnect with existing ones.

Location Scout Manager Leann Emmert, cited meeting important individuals, such as locations managers and professionals who could assist her in her filmmaking endeavours.

Malta Enterprise Chief Executive Officer Kurt Farrugia, made reference to meetings with potential investors, including a particular investor who is exploring the introduction of technology for pre-production, with discussions taking part during and after the festival, as well as introductory meetings with local service providers.

Creating Community

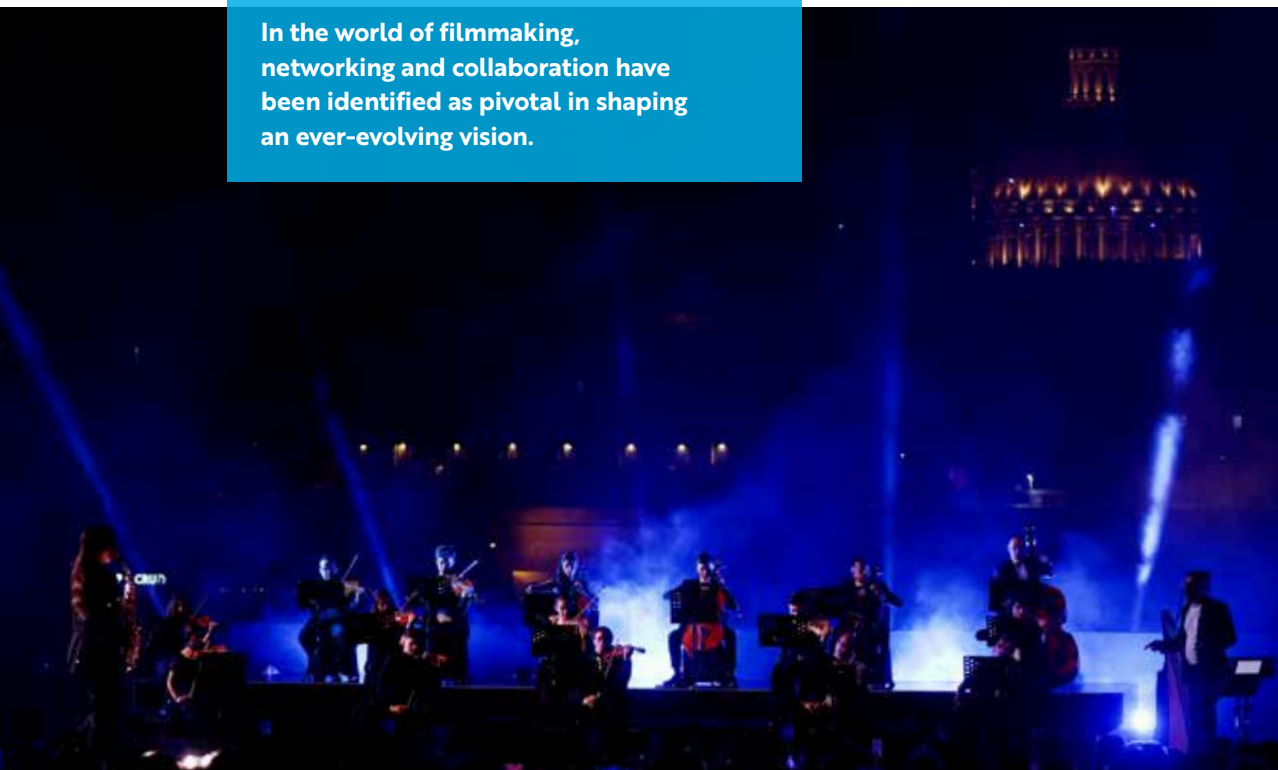
Local Director and Producer Steven Dalli, commented on the fact that the round tables and events at the festival provided excellent networking opportunities. After each round, participants had the chance for one-on-one interactions. Networking events were vital to introduce audiences to the film industry.

In the world of filmmaking, networking and collaboration have been identified as pivotal in shaping an ever-evolving vision. The interviews conducted during the festival underscore the profound impact of networking on participants, illuminating the festival's role as a unifying force for those who share a deep passion for both Malta and filmmaking.

From celebrated filmmakers to emerging talents, the festival became an enriching experience, forging connections and renewing bonds with local film crews.

The festival's international appeal opened doors for participants, offering opportunities for meaningful exchanges and interactions with fellow industry professionals. By creating a shared platform for innovation and collaboration, the festival cements its role in propelling Malta's cinematic landscape into a promising future.

In the world of filmmaking, networking and collaboration have been identified as pivotal in shaping an ever-evolving vision.



3.4

Broader Industry Impact

Fueling the Local Economy and boosting film tourism

The importance of fuelling the local economy through the growth of the film industry in Malta cannot be understated. This discussion delves into various facets of this burgeoning sector, shedding light on its potential for economic and cultural development. The conversation encompasses networking opportunities, ecosystem growth, the role of technology, and the vital balance between economic progress and environmental preservation. Ultimately, the film industry in Malta holds significant promise, with opportunities for both local talent and international collaboration, and it is increasingly becoming a pivotal driver of economic growth and cultural enrichment.

Malta Enterprise Chief Executive Officer Kurt Farrugia, emphasized that apart from the immediate benefits of introducing companies to the incentives offered in Malta, the networking aspect is vital. **The festivals, including a startup festival, helped connect companies operating in Malta who may not have been aware of each other. The result is the growth of an ecosystem within the film industry, with companies not traditionally servicing this sector recognizing the potential to adapt and offer services to the film industry.** This shift towards servicing the film industry is seen as part of a growing supply chain.

Mr Farrugia further discusses the benefits of Malta as a testing hub for new technologies, particularly in the context of convergence between the gaming industry, game development and the film industry. Practical examples are platforms like Unity and Unreal Engine that are not only used for game development but also for film production.

Mr Farrugia emphasizes the potential for growth in both the film and game development industries by nurturing them using similar services and strategies. This convergence can lead to the expansion of these sectors and the attraction of more companies to set up in Malta.

Mr Farrugia also noted the ongoing convergence between artificial intelligence, digital games, augmented reality (AR), and virtual reality (VR). These technologies can be leveraged to enhance the film industry. Mr Farrugia suggests that digital games, in particular, share similarities with the film industry, as they involve significant investment and have the potential for high returns. **Successful projects can lead to strong franchises and long-term economic sustainability beyond their initial release.**

Benefits of Growth in the Film Industry for Malta

University of Malta Rector Professor Alfred Vella, highlights the challenge of balancing economic development and environmental preservation in a small country. He emphasizes that the film industry, in particular, benefits from preserving the natural beauty of the islands.

Composer and Producer Elton Zarb, strongly believes that the festival can become an important date of the European Film Festival Calendar. Having prominent international stars attend the festival, will have an overall impact on the festival and ultimately the country, since today these people are Influencers, and we live in an era were Influencers have a huge role on society.



I personally believe that it's crucial for the festival to continue because it brings the film industry into the spotlight for a period. Even when the media coverage may not always be favorable, the fact that people are discussing it keeps the industry in the public's consciousness. So, even if just for that reason, the festival should persist because it plays a vital role in highlighting the industry's significance in our economy.

Professor Alfred Vella
University of Malta Rector

Film Tourism

Steven Weintraub Editor-in-Chief for Collider, also discussed the economic and social impact of the festival, highlighting the positive influence on the local economy. Additionally, **the festival's coverage in international media could generate interest in Malta as a filming location.**

As Chief Executive Officer for Bluerock Karl Micallef, rightly stated a well-curated audience, similar to the Cannes Film Festival, can be a valuable asset. Advertising the festival and the country in a similar manner to Cannes, with premieres and a focus on the film environment, can add value to the audience's experience. This approach has a positive impact on tourism, as visitors seek to experience the film industry firsthand in these locations.

Beyond the realm of art and culture, the Malta Film Festival had tangible economic effects. Luxury brands experienced an unprecedented surge in sales, particularly in the fashion sector.

Karl Micallef stated that **the week leading up to the Film Festival, saw a significant upswing in sales. There was a remarkable 35% increase in sales compared to the same period in the previous year.**


This festival served as a gathering ground for personalities who sought not only the magic of cinema but also indulgence in high-value items, further fuelling domestic revenue and stimulating the island's overall economy.

On an economic front, the festival's impact is equally impressive. The average estimated value of potential opportunities for the Maltese economy stood at an impressive 10.23 million. This figure reflects the substantial economic benefits generated by the festival, ranging from tourism to local businesses, underlining its positive influence on the island's economic landscape.



One cannot emphasize enough the significant impact of film tourism, since it attracts millions of tourists to locations featured in movies.

Leann Emmert
Location Scout Manager



4.0

Media and Digital Assessment

Assessment of the
Mediterranean Film Festival
on media and digital
channels.



Pagefield

Pagefield is an independent communications consultancy firm specialising in integrated campaigning, public affairs, corporate and brand communications based in the UK.

Media and Digital Impact: Festival Analytics

As we further explore the outcomes of the Mediterranean Film Festival, this segment specifically reports on the Festival's digital impact.

Pagefield found that the media and social media coverage generated by the Mediterranean Film Festival totalled an Advertising Value Equivalency (AVE) of **\$17,532,322**. A total of **1,150 pieces of media coverage** were analysed, accounting for a potential reach of **1.8 billion**.

Media and Social Media Coverage

Pagefield analysed all online and print media coverage, social media mentions and owned channel output between 1st May and 31st July 2023 relating to the Mediterranean Film Festival 2023 in order to generate a fiscal value to demonstrate the return on investment.

Pagefield used Advertising Value Equivalency (AVE) as a proxy methodology to generate this data.

In total, Pagefield analysed 1,150 pieces of coverage with a potential reach of 1.8 billion.

The media and social media coverage generated by the film festival has a total AVE of \$17,532,322.

Media Coverage Data Breakdown

Total online AVE	Total print AVE	Total media AVE
\$17,293,583.60	\$13,650.20	\$17,307,233.80

Social Media Coverage Data Breakdown

				
3,785,600 impressions	7,607,600 impressions	2,220,400 impressions	218,400 impressions	4,368,000 impressions
AVE - \$66,298	AVE - \$4,051	AVE - \$1,227	AVE - \$12,22	AVE - \$153,500

Total Social Media
AVE - \$225,088,22

The media and social media coverage generated by the **Mediterrane Film Festival** has a total **AVE of \$17,532,322.**

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